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Haack, P ; Schoeneborn, D ; Wickert, C

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# **Talking the Talk, Moral Entrapment, Creeping Commitment? Exploring Narrative Dynamics in Corporate Responsibility Standardization**

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## **Abstract**

This paper examines the type and temporal development of language in the process of corporate responsibility (CR) standardization. Previous research on CR standardization has addressed the proliferation and organizational embedding of material practices but neglected the analysis of underlying ideational dynamics. Departing from this practice, we introduce a narrative perspective that illuminates the trajectory a CR standard follows, from being formally adopted to becoming collectively accepted as a valid solution to a problem of societal concern. We compare CR standardization to a process through which a practice dialectically evolves from a set of pre-institutionalized narratives into an institutionalized, i.e. reciprocally justified and taken-for-granted, narrative plot. We argue that this approach helps scholars explore the dynamic interplay between symbolic and material aspects of standardization and understand better the discursive antecedents of coupling processes in organizations. Drawing on the case of the Equator Principles standard in international project finance, we empirically study how narratives create meaning shared by both business firms and their societal observers, thereby exemplifying the analytical merit of a narrative approach to CR standardization.

## **Keywords**

Corporate responsibility, Equator Principles, institutionalization, narratives, standardization

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The last two decades have witnessed the rapid consolidation of a global framework structured around sustainability, responsibility, and accountability pressuring business firms to consider their impact on society and the environment. This development has attracted much attention, and corporate responsibility (CR) is increasingly scrutinized by researchers who emphasize its role in compensating global governance gaps and providing order in weakly regulated or unregulated issues (Gilbert, Rasche & Waddock, 2011). We grasp the various principle-based initiatives, certification, reporting and accountability frameworks, and other formalized modes of industry self- or co-regulation in the realm of human rights, social rights, and environmental protection as *CR standards*. By *CR standardization* we refer to the institutionalization of a standard, i.e. the progressive cognitive validation of a CR-related practice (Berger & Luckmann, 1967). Most institutional studies focus on one of two topics: First, the organizational and institutional contingencies underlying the spatiotemporal *diffusion* of CR standards (Delmas & Montes-Sancho, 2011), as well as what characterizes and motivates adopters (Bansal and Roth, 2000); second, the *entrenchment* of CR standards, i.e. the organizational implementation and perpetuation of a CR practice (Aravind & Christmann, 2011). In this paper, we complement this literature by proposing a third perspective that offers novel insights into the constitution of CR standardization through *narration*. This allows us to examine how different actors tend to converge in their interpretations of diffusion and entrenchment; that is, the conditions under which a socially shared reality of CR standardization is established.

CR standards typically become embedded as guidelines into organizational routines well after they have been endorsed. Considering that compliance with institutional pressures, such as what is considered a socially acceptable activity of businesses, often conflicts with concerns of technical efficiency, subsequent implementation may take place only partially or not at all. Instead, ‘ceremonial’ conformity—merely simulated adherence to societal expectations—is achieved by decoupling surface structures from the organization’s core activities (Meyer & Rowan, 1977). At the same time, however, the organizational implementation of a

CR standard is subject to *societal evaluation*, meaning that the approval of standards and standard-adopting organizations is actively conferred by a community of observers (Suchman, 1995). Although technical and administrative standards are also prone to external influence, demands for inspection are particularly strong in the realm of CR: ‘The visual impact and high externalities of clear-cut forests, open-pit mining, and oil spills generate greater public concern than do the multidivisional form, personnel structures, or civil service reform’ (Bansal 2005, pp. 213–214). Failure to transparently integrate ethical prescriptions can trigger symbolic sanctions such as ‘naming and shaming’ campaigns led by non-governmental organizations (NGOs), which entail the large-scale condemnation of non-conformity to CR standards (den Hond & de Bakker, 2007). Hence, in view of public scrutiny, decoupling may not be a viable long-term option for adopters of CR-related practices. The differentiation between adopting and implementing a CR practice, and societal pressures to align talk with practice jointly show that CR standards do not automatically become practically relevant but often involve debates on their meaning and appropriateness within specific organizational contexts: CR standardization *starts*, rather than ends, with adoption (see Ansari, Fiss & Zajac, 2010).

As we argue below, extant diffusion and entrenchment accounts of CR standardization do not pay sufficient attention to the underlying ideational-discursive dynamics of post-adoption processes. Filling this void is important, as the analysis of these processes help elucidate how different interpretations of a controversial practice gradually converge through social interaction and eventually become constitutive of organizational and social change. In this paper, we argue that *narratives* that co-evolve with the diffusion and entrenchment of CR standards shed light on whether a formally adopted practice becomes infused with meaning beyond instrumental reason and on how it is gradually accepted, understood and enacted as the ‘natural way of doing’ things. The term ‘narrative’ refers to recurrent practices of storytelling that typically include a causal interpretation of a time sequence involving focal actors, events, and motivations, and ‘embody a sense of what is right and wrong, appropriate or inap-

appropriate' (Pentland, 1999, p. 712). Importantly, an understanding of CR standardization centered on the analysis of narratives helps grasp diffusion and entrenchment as discursively constructed phenomena that are subject to narrative reproduction and disruption (Berger & Luckmann, 1967; Phillips, Lawrence & Hardy, 2004). In a narrative perspective, then, standardization as a form of institutionalization does not primarily refer to consistency in talk or conduct but to the permanence and intersubjectivity of meaning.

Drawing on a process study of the *Equator Principles*, a CR standard in the field of international project finance, we empirically investigate CR standardization from a narrative perspective. We address two research questions through qualitative interviews and the analysis of publicly available documents. First, we scrutinize which narratives coexist with the diffusion and entrenchment of the Equator Principles. Second, we examine how these narratives develop over time. In our empirical analysis we identify two antagonistic narratives: What we label the *success narrative* reflects a set of stories that construe the rapid dissemination of the standard as a valid countermeasure against the detrimental social and environmental impact of project finance. In contrast, the *failure narrative* is largely critical of the success narrative and centers on stories that question the standard's actual relevance to organizational practice. We find that over time the two narratives are replaced by a third set of stories, the *commitment narrative*, which emphasizes the processual character of standardization towards an inevitable gradual or 'creeping' commitment of business firms to the cause of sustainability.

The paper's contribution is threefold: First, our empirical study critically addresses one of the central tenets of institutional theory, namely the stability of decoupling (Scott, 2008). We show that companies respond to the societal problematization of prevalent diffusion accounts with rhetorical commitments to organizationally embed a CR-related practice and, indirectly admitting to decoupling, 'talk' themselves into corrective measures. We therefore provide tentative evidence for the assumption that organizational hypocrisy merely amounts to a *transitory* phenomenon. Second, we contribute to the development of a theory of

CR standardization by specifying the narrative perspective as a comprehensive conceptual framework for the analysis of the phenomenon, complementing previous perspectives that emphasized material aspects of either diffusion or entrenchment. Third, we extend theoretical research on the NGO–business relationship (Basu & Palazzo, 2008; den Hond & de Bakker, 2007) in that we empirically demonstrate how NGO criticism can influence sensemaking processes in business firms.

## **INSTITUTIONAL THEORIES OF CR STANDARDIZATION**

In an effort to delineate the rich yet heterogeneous collection of institutional theories of CR standardization, we differentiate between the *diffusion*, *entrenchment*, and *narration* perspectives. Whereas the diffusion perspective examines which standards ‘flow’ and why, and entrenchment studies are interested in which standards ‘stick’ and why (Colyvas & Jonsson, 2011), the narration perspective explores how standards become established through discursive processes, i.e. are ultimately ‘talked into existence’.

### **Standardization-as-Diffusion**

The *standardization-as-diffusion* perspective, as we term it, considers which standards diffuse or flow across space and time and why—the ‘breadth’ of standardization, so to speak. Diffusion studies tend to emphasize the ‘contagious’ spread of invariant practices and regard organizations as passively exposed to institutional pressures (Tempel & Walgenbach, 2007). For instance, it has been suggested that standardized models and blueprints are informed by the rational and universalist character of world culture that diffuse to ‘the various units of the field’ (Drori, 2008, p. 466). In that view, CR standards resemble globally valid conceptions of virtuous behavior and morality. Civil society and NGOs in particular are portrayed as cultural *carriers* that disseminate a general model of ‘universalism, individualism, rational voluntaristic authority, progress, and world citizenship’ (Boli & Thomas, 1999, p. 45).

Besides examining the motivation and attributes of adopters (Bansal & Roth, 2000), the diffusion perspective emphasizes that CR standardization is characterized by local differ-

ences in institutional frameworks (Delmas & Montes-Sancho, 2011; Matten & Moon, 2008). It points out, for instance, that differences in organizational features (Christmann, 2004; Delmas & Toffel, 2007) and inter-organizational linkages (Prakash & Potoski, 2006) influence the propensity for adoption. Hence, the standardization-as-diffusion perspective does not inevitably assume isomorphic convergence towards structural sameness but applies a ‘contingency theory of institutionalism’ (King & Toffel, 2009, p. 104) where ‘heterogeneity refers to internal and external sources of contagion and [the] subjects’ degree of susceptibility and infectiousness’ (Colyvas & Jonsson, 2011, p. 44). The diffusion account thus contributes to our understanding of CR standardization in that it allows us to view observed variance in adoption and diffusion patterns from a macro-perspective.

Diffusion studies are limited, however, in that they often equate the spatiotemporal *ubiquity* of standards with their increasing institutionalization, without investigating the character of adoption or examining the social processes through which diffusion is causally linked to institutionalization (see Colyvas & Jonsson, 2011; Green, 2004). For instance, Delmas and Montes-Sancho (2011, p. 106) argue that objectification, that is, ‘the development of some degree of social consensus among organizational decision makers concerning the value of a practice, and the increasing adoption by organizations on the basis of that consensus’, signals the increasing institutionalization of ISO 14001, an environmental management standard. However, in their multivariate analysis, the authors estimate the environmental contingencies of diffusion without measuring the degree of consensus or capturing its social construction. Thus, given the study’s reliance on proxies that are rather distant from the reciprocal typification of meaning systems and collective beliefs that are central to a phenomenological understanding of institutions (Berger & Luckmann, 1967), the authors’ claim about the increasing institutionalization of the ISO 14001 standard remains tentative at best.

More generally, institutional studies that examine diffusion patterns of organizational practices often *assume* that these result from the process of institutionalization but do not con-



sider alternative explanations for—supposedly institutional—outcomes (see Schneiberg & Clemens, 2006). The ambiguous link between ubiquity and institutionalization has been perpetuated by the prevalent methodology, as in quantitative studies the ‘adoption of a practice is typically coded as a binary fact [...] offering no room for nuanced analyses of the micro-elements of diffusion that fall between the “adoption” and “non-adoption” such as partial adoption, adoption and subsequent rejection, or adoption with translation’ (Suddaby & Greenwood, 2009, pp. 179–180). As a consequence, and notwithstanding its merits, standardization-as-diffusion research is characterized by ‘black box’ thinking, where variation in the implementation and field-level integration of CR standards remains empirically and theoretically undetected.

### **Standardization-as-Entrenchment**

Another approach, which we term *standardization-as-entrenchment* perspective, examines the ‘stickiness’ or ‘depth’ of a CR standard after it has been adopted; that is, the extent to which it is organizationally implemented and stabilized at the institutional field level. The concept of entrenchment was developed by Zeitz and colleagues, who distinguish between the initial adoption of a practice and its eventual ‘entrenchment’. They define the latter as the ‘embedding of practices such that they are likely to endure and resist pressure for change’ (Zeitz, Mittal & McAulay, 1999, p. 741). In contrast to standardization-as-diffusion, the entrenchment perspective does not view organizational actors as passive pawns of isomorphic pressures but acknowledges that they have some leeway in adjusting adopted practices (Ansari et al., 2010).

The notion of entrenchment clarifies that patterns of widespread diffusion cannot be equated with institutionalization (as implied by the diffusion perspective) but potentially hint at the rise of short-lived ‘fads and fashions’; that is, transitory institutions that do not necessarily develop an enduring foundation (Abrahamson, 1991; Brunsson, 2000). The entrenchment view thus accommodates the finding that, in order to enhance legitimacy, organizations adopt standardized formal structures but vary in the degree of actually embedding them in

organizational activities. Hence, increasing rates of adoption may reveal more about growing uniformity in symbolic gestures than about the standardization of practices (Meyer & Rowan, 1977; Tempel & Walgenbach, 2007).

Proponents of the entrenchment perspective regard *decoupling*, that is, the organizational misalignment between surface structures and actual activities, as particularly relevant to the topic of CR standardization. In their view, low-entry barriers for adopting a CR standard and lax enforcement mechanisms and reporting requirements after adoption encourage shirking (King & Lenox, 2000). Consequently, researchers have started paying attention to whether organizations actually implement CR standards (Aravind & Christmann, 2011; Boiral, 2007) and examining the various antecedents and consequences of decoupling (Behnam & MacLean, 2011; Christmann & Taylor, 2006). Such research has found that CR standardization initiatives are often implemented superficially to produce a ‘green’ and socially responsible image that does not affect organizational core activities.

The entrenchment perspective provides important insights into whether standardized prescriptions become ingrained in organizational practice, and if so, why. Nevertheless, the concept of standardization as ‘persistence’, i.e. the idea that a ubiquitous standard becomes institutionalized if it proves enduring, and ‘depth’, i.e. the idea that a standard becomes institutionalized if it has ‘real impact’, conflates the material outcomes of standardization with the ideational dynamics underlying its symbolic construction. With regard to *persistence*, entrenchment studies suggest that what distinguishes a faddish from a fully institutionalized practice is the resilience of the latter (Colyvas & Jonsson, 2011; Zeitz et al., 1999). However, persistence is a relative term that cannot be specified *a priori*. Arguing that a standard can be considered institutionalized when ‘it becomes a stabilized mode of action’ (Brunsson, 2000, p. 151), without elaborating on the underlying social mechanism, relies on *ad hoc* reasoning on why and how stability has been achieved. Clearly, with such circular explanations one cannot

distinguish between fads and institutions and it is only *in retrospect* that entrenchment studies account for the process that may have led to either.

Likewise, with regard to *depth*, distinguishing fads from institutions on the basis of the degree of implementation and the ‘effectiveness’ of a standard (Aravind & Christmann, 2011; King & Lenox, 2000) is not fully satisfactory, because such typically static and structural assessments overlook the possibility that the extent of decoupling varies over time and may merely constitute a *transitory* phenomenon: The ‘amount of time that an organization is able to “talk the talk” but not “walk the walk” may be limited not only because outsiders will enforce full compliance, but also because insiders will experience an identity transformation’ (Fiss & Zajac, 2006, p. 1188). Indeed, symbolic structures may ‘have a life on their own’ (Scott, 2008, p. 171) and through ceremonial use they may materialize into organizational realities (Tilcsik, 2010). Yet, the entrenchment perspective does not account for the various coupling processes through which formal prescriptions become infused with novel meaning and an action-generating rationality. The image that emerges is therefore incomplete, being based on a binary or ‘unidimensional’ conception of decoupled vs. tightly decoupled organizations in one point of time (Orton & Weick, 1990).

### **Standardization as Narration**

Both the diffusion and the entrenchment perspective are heuristically valuable, as they reflect important aspects of the social construction of standardization. We argue, however, that both views remain theoretically underdeveloped in that they overlook the role of subjective interpretations in the process of standardization. In particular, the dynamic interplay between material aspects of standardization, expressed in organizational activities, and the symbolic dimension of utterances that render both the diffusion and entrenchment of a practice meaningful and legitimate in the first place, are not adequately addressed. As a result, the analysis of *post-adoption* dynamics in standardization has been neglected, and we know relatively little

about the discursive-ideational processes that influence the persistence and depth of a CR-related practice.

The *standardization-as-narration* perspective allows us to complement the objectivist stance of the diffusion and entrenchment perspectives. Its rationale is grounded in a social-constructionist epistemology, which assumes that ‘language is not literal (a means of representing reality) but creative in giving form to reality’ (Cunliffe, Luhman & Boje, 2004, p. 264). In this view, narratives not only reflect but also influence attitudinal and behavioral dispositions in such a way that certain choices, such as the adoption or implementation of a CR standard, become meaningful and are enacted, whereas others are not (Green, 2004; Pentland, 1999). In other words, a narrative approach considers the possibility that the use of language does not merely reflect or transmit the material aspects of CR standards but that language is *constitutive* of social reality (Christensen, Morsing & Thyssen, 2011; see also Cooren, Kuhn, Cornelissen & Clark, 2011). It follows that the standardization-as-narration perspective assigns ontological primacy to language; how ‘stories’ of ‘breadth vs. depth’ or ‘flowing vs. sticking’ are ‘told’ is of particular significance.

By explicitly addressing the type and tenor of language that co-evolves with the diffusion and entrenchment of a practice, standardization-as-narration builds upon and extends a stream of research that explores the type and role of rhetoric associated with the diffusion of management practices (Abrahamson & Fairchild, 1999; Green, 2004). For instance, Abrahamson and Fairchild suggest that there is a ‘rhetorical bandwagon pressure’ to ‘adopt or reject a management technique, which occurs because managers *read* discourse telling them that many organizations are adopting (or rejecting) this technique’ (Abrahamson & Fairchild, 1999, p. 732, emphasis in original). Green and his colleagues likewise theorize the relationship between rhetoric and adoption numbers and argue that ‘an increase in diffusion combined with a decrease in justifications approximates an increase in the level of taken-for-grantedness’ of the diffusing practice (Green, 2004, p. 656). Their empirical work suggests

that a declining complexity in argument structure underlying the justification of a practice indicates the gradual institutionalization of that practice (Green, Nohria & Li, 2009). Notwithstanding their differences, these communication-centered studies agree that diffusing practices are not exclusively material, i.e. reflecting actual work practices and structures, but also represent sets of meanings subject to contestation and modification. Although undoubtedly enhancing our understanding of standardization, this research primarily addresses the communicative constitution of diffusion and perceives language as monological, thus disregarding its dialogical character. To our knowledge, no study in institutional theory has examined how the communicative interaction that revolves around a decision of symbolic adoption affects utterances with respect to the material entrenchment of a CR standard.

The standardization-as-narration perspective comes to close this gap. Essentially, a narrative approach grasps the process of standardization as the stabilization of a dynamically developing set of narrative elements that can be related but not fully equated with material aspects of the ubiquity, depth, and persistence of a CR-related practice. We follow the phenomenological tradition of Berger and Luckmann (1967) and conceptualize standardization as the reciprocal typification of habitualized discourse that objectifies joint categories for actors, actions, and motivations. By ‘habitualized discourse’ we mean the development and recurrent application of a narrative or a set of narratives by an actor or group of actors in response to a problem of societal concern. In turn, ‘reciprocal typification’ denotes the narrative stabilization of collective beliefs regarding the response’s appropriateness to solve the problem in question. In other words, reciprocal typification implies the consolidation of a consensual narrative or set of narratives on what ought to be done, by whom, and for which purpose. In this view, CR standardization resembles the process through which a practice dialectically evolves from a set of pre-institutionalized—as yet unintelligible and normatively contested—narratives into an institutionalized narrative plot; that is, a narrative that generates greater *actual* compliance with a CR standard and no longer needs to be justified or criticized by either

organizations or their critics. Table 1 provides an overview of the diffusion, entrenchment, and narration perspectives.

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The advantage of conceptualizing CR standardization as narration is twofold. First, examining the coherence of socially shared meanings and their stabilization through narration offers a better understanding of variance in the persistence of a CR-related practice. That is, unlike earlier studies (Abrahamson & Fairchild, 1999; Green, 2004), a narrative approach acknowledges the dialectical and discursively negotiated nature of CR (Christensen et al., 2011; Wehmeier & Schultz, 2011) and analyzes the development of contrasting viewpoints and dialogues between business firms, NGOs, and other actors on what kind of CR practice should be adopted or implemented, and whether the practice merits support and normative approval (Gilbert & Rasche, 2007; Scherer & Palazzo, 2007). Narratives which point out that a CR practice has only been partially implemented or instrumentally adopted are likely to increase suspicion and thus diminish a standard's moral desirability and taken-for-grantedness. In such a situation, the persistence of a practice, even if diffused to a majority or the totality of potential adopters, is threatened. Unless measures are taken to re-establish legitimacy, the CR practice risks losing stability and may entirely disappear (Abrahamson, 1991). It follows that the standardization-as-narration perspective explores how the acquisition or loss of legitimacy through language generates a 'second order of meaning' concerning the validity status of standardized practices (Berger & Luckmann, 1967, p. 93).

Second, standardization as narration points out that organizational members are confronted, engage, and potentially identify with novel narratives and worldviews in interactions with what Berger and Luckmann (1967) termed 'significant others', i.e. civil society at large in the case of CR standardization. Narratives that contest an organization's professed adher-

ence to a CR standard can put subtle yet effective pressure on that organization to adopt gradually the principles of its critics. External evaluations of the organization that are inconsistent with the self-perceptions of organizational members push the latter to rhetorically address these inconsistencies. In turn, ‘aspirational talk’ (Christensen et al., 2011), i.e. the rhetorical commitment to reduce the gap between actual and projected reality, eventually leads to corrective behavior that adjusts self-perceptions to the interpretations of external observers (Dutton & Dukerich, 1991). That is, in order to avoid what is referred to as ‘cognitive dissonance’ and ‘emotional dissonance’ in psychology, organizational members start internalizing and acting upon a new interpretation of CR, thereby materializing ‘the attitudes first taken by significant others toward it’ (Berger & Luckmann, 1967, p. 132). Thus, although organizations require a period of ‘incubation’ until formally adopted practices materialize in activity (Røvik, 2011), in a situation of decoupling, because of the contested validity of narratives (‘narrative contestation’ hereafter) CR may take deeper roots within organizations, i.e. lead to the coupling of formal structure and activities (Christensen et al., 2011; however, see Behnam & MacLean, 2011).

The narrative construction of a novel, socially shared reality of standardization is often supported by material developments at the organizational level. For instance, creating CR-related job functions, offices, and policies (Scott, 2008), increasing training (Røvik, 2011; Zeitz et al., 1999), as well as demographic changes in the organizational populace (Suchman, 1995; Tilcsik, 2010) redefine meanings and incentives of appropriate behavior and have a lasting effect on organizational discourse. Furthermore, a narrative underpinning is unlikely to represent a *sufficient* condition for the institutionalization of a CR-related practice. Material contingencies, such as technical or regulatory requirements, may pose insurmountable obstacles to both the adoption and organizational embedding of a standard. Likewise, material aspects of standardization affect the reification of meaning, as can be seen, for instance, in the stabilizing impact of technologies and work routines on organizational communication (Yates

& Orlikowski, 1992). It is therefore necessary to be sensitive to the fact that the ‘material’ and the ‘symbolic’ coexist and are inherently intertwined (Latour, 2005).

## **DATA AND METHODOLOGY**

In order to identify the type and evolution of narratives in CR standardization we pursued a two-tiered analysis. First, we aggregated prevalent narrative patterns that we detected in a series of interviews. Drawing on the interview findings, we then quantitatively identified narratives and ‘surface stories’ in public documents. Second, we tracked the lifecycle of identified narrative patterns. This allowed us to build a longitudinal description of narratives, i.e. to elucidate ‘narrative dynamics’.

### **Case and Background of the Equator Principles Standard**

The Equator Principles (EPs or EP standard hereafter) represent a voluntary initiative of financial institutions that encompasses a set of process- and performance-based criteria for determining, assessing, and managing social and environmental risk in international project finance. The EPs are designed around a framework of ten broad principles which ensure that financed projects across all industry sectors are developed in a manner that is socially and environmentally responsible. ‘International project finance’ refers to the cross-national investments of financial institutions in large public infrastructure and development projects like the construction of power plants, river dams, or mines. At its peak in 2008, this global market had a volume of US\$110 bn but declined in 2009 to US\$67 bn due to unfavorable market conditions for lending during the financial crisis (data provided by *Infrastructure Journal*). Given that large projects are often jointly financed by one underwriting bank that syndicates the loan to other financial institutions, the sector is characterized by a high degree of interdependencies among a few major market players. Although for most banks the business field is small, it offers high-margin opportunities that result from the premium paid for the risks involved in the project finance instrument. At the same time, individual projects are often very large-scale and significantly affect the natural environment and local communities (Schepers,



2011; Wright & Rwabizambuga, 2006). As the adverse ecological and social impact of large-scale development projects frequently attracts public criticism, NGO campaigning may induce the withdrawal of government support, which can lead to the complete failure of a project while providing NGOs with the leverage they need in order to influence banks' lending decisions (Schaper, 2007).

Indeed, in the early 2000s, the 'birth' of the EP standard was initiated by several NGOs actively targeting four major commercial banks whose project finance activities they considered socially unacceptable: ABN AMRO, Barclays, Citigroup, and WestLB. For instance, the American Rainforest Action Network (RAN) started highly visible campaigns on fossil-fuel and logging projects financed by Citigroup, while Friends of the Earth (FoE) attacked ABN AMRO and other Dutch banks for their financial support of palm oil production in Indonesia (O'Sullivan & O'Dwyer, 2009; Schaper, 2007). In 2002, a NGO coalition comprising RAN, FoE, the Berne Declaration and other players drafted the 'Collevocchio Declaration', a civil society statement that coordinated NGO action and outlined a set of demands towards the financial sector. In response, the four banks, supported by six additional financial institutions, launched the EPs in June 2003. In 2004, the NGOs behind the Collevocchio Declaration founded BankTrack, a global network of 36 NGOs that monitors the project finance operations of banks. Since then, NGOs have been coordinating their activities under the umbrella of the BankTrack network.

Given the dominant market position of the first ten EP adopters, the involvement of international development institutions, and the sector's mutual dependencies, other financial institutions followed suit in adopting the EPs. Since 2003, eight to ten institutions have joined the EP group each year. Given the strong reputational pressure in their institutional environments, banks headquartered in Western Europe and North America adopted the EP standard early (Wright & Rwabizambuga, 2006), whereas recently EP membership has begun to show greater geographical diversification. As of September 2011, we count a total of 70 adopters

(hereafter referred to as ‘EP banks’) from around the world. Since 2006, about 80 percent of cross-country project financing volume is lent in accordance with the EP standard (data provided by *Infrastructure Journal*). Notwithstanding the conclusion that ‘no major project is likely to be financed today without the application of the Equator Principles’ (UNCTAD, 2008, p. 115), BankTrack and other critics argue that a persistent lack of compliance at the organizational and project site levels, as well as weak governance structures at the institutional level, undermine the legitimacy and effectiveness of the EPs (O’Sullivan & O’Dwyer, 2009; Schepers, 2011). In sum, although the EPs have proliferated rapidly since their introduction, societal observers perceive the efforts of banks to implement them as deficient.

### **Data Collection**

The first stage of data gathering involved a series of qualitative face-to-face and telephone interviews, which we conducted between March 2009 and August 2011 with interview partners from Europe, Asia, and the Americas. These included bank representatives (of both adopters and non-adopters of the EP standard), NGOs active in monitoring the project-financing sector (e.g. members of the NGO network BankTrack), project-executing firms, and further experts in the field (e.g. journalists, consultants, and academics). We interviewed 26 individuals once and 8 individuals twice, conducting a total of 42 interviews. All interviews were based on a field manual structured around two sets of questions that allowed us to stimulate and re-stimulate narration: First, we asked interviewees to give us their view of the EP standard’s diffusion among banks in the field of project finance. Second, we asked whether they thought that the EP standard was implemented in general, and if so, what impact it had on adopting organizations. The interviews lasted 30–60 minutes and, provided that the interviewee consented, they were tape-recorded and transcribed.

In order to longitudinally complement our interview data, we then collected textual data from publicly available documents published between January 2003 and December 2010. Running a wildcard search for the keywords ‘EPs’ and ‘Equator Principles’ in the full text, we

selected documents from (a) the EP standard's website, such as relevant news articles and press-releases, (b) the websites of banks that had adopted the EPs, such as CR reports and sector policies, (c) the Lexis-Nexis database, such as articles from the general press, (d) the BankTrack website, such as press releases and NGO publications, (e) practitioner-oriented sustainability journals, such as *Ethical Corporation*, and (f) trade journals, such as *Environmental Finance* and *Project Finance International*. We furthermore executed an Internet search in order to identify additional documents, such as blog entries and presentations on the EPs. We included documents where the EPs constituted the main or a major topic of coverage, but excluded all documents that referred to the EPs only casually. Overall, we gathered more than 750 relevant documents amounting to about 720,000 words.

### **Data Analysis**

We began with a systematic narrative analysis of our interview transcripts and notes (Cunliffe et al., 2004; Hardy & Maguire, 2010). This enabled us to identify recurrent utterances and narrative patterns. Applying a process of open coding, we iteratively validated emerging structures. We organized the identified story elements in a two-by-two matrix that contrasted breadth vs. depth aspects, and negative vs. positive evaluations of EP standardization. This procedure yielded a total of 39 story elements. Based on this, we generated a coding scheme for analyzing the document data. The codebook also included open coding categories that allowed us to include new forms of storytelling not visible in the interview data.

We then used the qualitative text analysis software *QDA Miner* to code, process, and analyze the collected documents. We assigned values to each document for the categorical variables *authorship* (containing the values 'financial institution', 'NGO', 'trade journal', or 'general media'), *tenor* (which addresses the character of evaluation and contains the values 'negative', 'positive', 'balanced', or 'neutral'), and *focus* (indicating whether the document placed more, less, or equal emphasis on diffusion or entrenchment). We furthermore assigned values for the exact publication date, which we later aggregated into a year variable.

Two of the authors coded relevant text segments within each document and regularly discussed any ambiguities of the coding scheme to maximize consistency in coding. Overall, we coded 3,921 story elements. Once coding had been completed, we used a random subset of 150 documents to gauge coder reliability at the variable level. Inter-rater reliability for the tenor and focus variables amounted to 0.813 and 0.853 respectively. Drawing upon quantitative aggregations of code co-occurrences and code sequences within single documents, we then identified prevalent clusters and sequential patterns of story elements across documents. This allowed us to consolidate the codes into a smaller set of *surface stories*.

In the context of our study, the term ‘surface story’ refers to fragmented yet recurring narrative patterns that create and stabilize meaning for the EP standard. Surface stories coalesce into narratives which are generally characterized by (a) a sequence in time, (b) an endpoint of moral circumstance, and (c) the construal of focal actors in search of a cause (Pentland, 1999; Zilber, 2009). Surface stories, in contrast, do not necessarily need to fulfill these three criteria in order to contribute to the construction of meaning. Given that field actors are often acquainted with a narrative, a single surface story is sufficient to trigger the causal chain of an entire narrative sequence. Hence, we do not use ‘narrative’ and ‘story’ synonymously but regard the latter concept as constitutive of the former (Gabriel, 2008).

To substantiate the description of narratives we retrieved the original text segments, coded on the basis of surface stories, and revisited our interview data to examine critically our interpretation of narrative structures. We then regrouped codes according to identified surface stories and narratives. Finally, in order to develop a better sense for the data’s longitudinal character, we produced simple frequency counts of documents, e.g. by general tenor or assigned codes per year. We then used correspondence analysis to convert cross-tabulations of surface stories and years into numerical statistics and graphical displays. Correspondence analysis is a descriptive and explanatory data technique that reveals relationships within large contingency tables (Clausen, 1998; Greenacre & Blasius, 1994). Correspondence analysis

proved particularly valuable for tracking the development of narratives and surface stories over time and inferring shifting meanings in the development and promulgation of the EP standard (see Meyer & Hoellerer, 2010).

## FINDINGS

We begin this section by identifying prevalent narratives and types of constitutive surface stories, then go on to describe the development of narratives and surface stories over time. These findings are based on both the interview and document data.

### Narratives and Surface Stories

Examining our data, we discern three narratives: the success narrative, the failure narrative, and the commitment narrative. The *success narrative* construes the EPs as a rational means of preventing project finance activities from causing socio-environmental harm. It is mostly told by representatives of banks that have adopted the EPs and can be summarized as follows:

#### *Success Narrative*

*The EP standard proliferated quickly and widely within the field of international project finance. This success has been driven by the increased reputational leverage of advocacy campaigns that turned measures of environmental protection into a pillar of the bank's risk management strategy. Having adopted the EPs, banks are committed to extending best practices to other financial institutions and to helping create a truly global standard.*

In both the interviews and document data, the success narrative becomes visible through three surface stories. These do not necessarily contain a temporal chain *themselves* but create meaning for the sequence and latent structure of narratives at the institutional field level (Pentland, 1999; Zilber, 2009). Appendix 1 offers an overview of illustrative excerpts of such surface stories and corresponding story elements.

The success narrative begins with the *adoption* story, which draws on the notion of increasing breadth, i.e. spatiotemporal diffusion, and highlights general success, ubiquity and

growth, the amount of EP-compliant project volume, and the prestige and/or importance of early or current adopters. For instance, the adoption story emphasizes the trend of increasing ubiquity through claims that the EPs ‘have turned into the *de facto* standard in international project finance’ and that ‘almost all big names in project finance have signed up’ (document statements by EP banks). It also highlights the standard’s endorsement by leading market players and well-respected authorities such as the International Finance Corporation, which provides ‘linkage legitimacy’ (Bitektine, 2011, p. 156). In the analyzed documents, elaborations of the EPs’ essence tend to be located close to statements on adoption (e.g. ‘what are the EPs’) and purpose (e.g. ‘what they are good for’), which increases the standard’s plausibility and intelligibility (Suchman, 1995). In sum, the adoption story tells that ‘normal’ banks have adopted the EPs because they represent a ‘natural’ and appropriate way of dealing with state-of-the-art project finance. It also suggests that the standard has achieved or will achieve a taken-for-granted status.

The *business case* story represents the success narrative’s middle part and explains *why* the EP standard has proliferated so quickly, providing a causal account of the beneficial consequences of adoption. It rationalizes that, because project-financing banks generate their return on investments almost entirely from the cash-flow of completed projects, NGO campaigning can potentially lead to project closure and loss of investment. The reputational risks associated with project finance led banks to develop sound environmental practices and integrate them into existing risk-management procedures: ‘Basically, the development of the EPs is a response to reputational risk. Since reputational risk is quite high in large projects, the EPs evolved and diffused rapidly’ (document statement by NGO representative). Applying the EPs is construed as beneficial to both financial institutions and society at large, creating a win-win situation for all parties involved: ‘Aside from the “feel good” [factor], it makes sound financial sense’ (document statement by EP bank representative). Or, as one EP bank representative puts it (document statement):

Our clients recognize that they can achieve their aims most effectively if they apply the [EP].

And because [we play] a leading role in championing them, existing and potential customers see our expertise in this area as a point of advantage. The result is a triple whammy. Our customers win. We win. And, very importantly, the societies where we operate win.

At the same time, the business case story views the EPs' proliferation from an instrumentalist perspective, i.e. as the result of reputational threats and 'self-interested calculations', rather than from a moral standpoint, i.e. as 'the right thing to do' (Suchman, 1995, p. 578). Overall, given that managers and employees often find it hard to immediately internalize the normative case for sustainability (Humphreys & Brown, 2008), the business case rationale helps enhance the pragmatic legitimacy of the EP standard within banks (Suchman, 1995).

Finally, the success narrative's ending is substantiated by the *outreach* story. This extends the adoption and business case stories in the form of a self-mandated mission towards a 'desired end point or ultimate goal' (Hardy & Maguire, 2010, p. 1371). It emphasizes that the long-term success of the EPs depends on getting everyone to 'join the club', i.e. on their universal dissemination and active, rather than passive, adoption. Otherwise, the outreach story reasons, money borrowers may stick to non-adopters to benefit from less strict requirements for lending: 'My only wish is that all banks, including banks in large emerging countries, apply the same rules to avoid competitive distortion' (document statement by EP bank representative). The need for fair competition and abidance by the same set of standards is often described by the metaphor of the 'level playing field'. In a geographical context, this refers to extending the EPs globally, in particular to China and India. Although financial institutions that adopt the EPs aim primarily to prevent market rivalries, the outreach story tends to depict them as reputable protagonists in 'search of a quest', characterized by vigor and enlightenment. Thus, in contrast to the preceding two surface stories, which emphasized the taken-for-grantedness, comprehensibility, and instrumental value of adopting the EPs, the outreach story stresses the moral validity, desirability and 'necessity' of the EPs' global dissemination.

The success narrative is fully developed in that it contains a clear and coherent tripartite sequence of surface stories (*adoption*, *business case*, and *outreach*) that facilitate causal attributions about events, focal actors, and motivations. It conceives the EPs as a major achievement and a valid means of mitigating the detrimental impact of project finance activities. In contrast, the *failure narrative* can be seen as a challenge to the lore of the success narrative. It argues that applying the EPs does not counteract adequately the harmful ramifications of project finance. In our interviews, accounts of failure were given mostly by representatives of NGOs and occasionally by bank officials, especially when the latter spoke about the unsatisfactory compliance of peers. In documents, the failure narrative was solely told by NGOs.

***Failure Narrative***

*The EPs proliferated because of low requirements for adoption. Sadly, they have not effected significant changes in banking practice. Given weak implementation and lacking disclosure and enforcement mechanisms, we regard the status quo in project finance as unsatisfactory and highly worrisome. Banks need to put into action their commitment to the EPs so that these truly make a difference.*

Again, the narrative's latent structure becomes visible through three surface stories. Its beginning is represented by the *easy-to-sign* story, which, like the adoption and business-case stories, acknowledges the wide dissemination of the EPs and their usefulness for financial institutions as a reputation management tool. However, the low entry barriers for adopting the standard are central to this narrative's critical interpretation of the EPs' proliferation. Lamentably, as NGOs observe, 'merely issuing a press release' (interview with NGO representative) is sufficient to establish an organization's status as a member of the EP group, so banks take advantage of the EPs to enhance their reputation without following their prescriptions, thus pushing banking practice to the 'lowest common denominator'.



The story's 'conspiracy part' lists various 'exit-door strategies' that banks use to circumvent the application of EPs even after having signed the standard; for instance, they may classify a project as lower risk or invent risk categories exempt from compliance, or they may substitute project finance through a non-project finance structure such as corporate finance, export finance or proprietary investment: 'Banks have introduced risk classification sub-categories like B+, B, or B- which prevents them from having to classify a project as representing the toughest risk category A' (consultant in interview) and 'banks and project-executing firms try to restructure their project financing activities so that the EP criteria do not apply anymore. [...] This is done, for instance, by re-classifying them as "corporate finance"' (interview with EP bank representative). Note that comments on these strategies emerged mostly in confidential interviews; closer inquiry into the nature and use of these 'loopholes' produced vague statements. In sum, the easy-to-sign rationale emphasizes that the EPs' apparent ubiquity must be examined in the context of easy and nominal adoption. It aims at discrediting the EPs' 'success story' as delusive, meaningless, and morally wrong, in particular from the viewpoint of communities affected by project finance activities.

In both interviews and documents, the *greenwash* story typically follows the easy-to-sign story, forming the middle part of the failure narrative. The term 'greenwash' refers to the active dissemination of misleading information to present an environmentally responsible public image. The greenwash story basically reports how financial institutions that have adopted the EPs sidestep their application. Furthermore, it cynically devaluates deficient implementation and accountability, often metaphorically referring to the EP standard as 'elaborate fig leaf', 'window-dressing', or 'just good PR' (statements repeatedly made in both documents and interviews). The greenwash story thus indicates that applying the EPs is hypocritical and that adopters do not live up to their claims. This is acknowledged even in an interview with an EP bank representative: 'The EPs indeed are, in many cases, greenwashing. I've met an EP bank that was surprised to hear that it needed to train its project finance people

about the environment'. The greenwash story argues that adoption does not fundamentally alter established business practices, as compliance is often handled by insulated corporate communication or CR departments, or is outsourced to third parties such as law firms, turning the EPs into 'basically just one more consulting report at the end of the day' (interview statement by EP bank representative). Even if banks fully complied with the prescriptions, the EPs' impact at the project sites would still have to be tested: 'Incredibly, no one knows whether any environmental or social outcomes were improved by [an EP bank's] decisions to finance the 20 projects or to not finance the other 66 projects' (document statement by NGO). Evidently, the greenwash story is inherently value-laden and its various narrative elements reduce the moral legitimacy of project finance. The message is clear: Applying the EPs halfheartedly does not solve but *perpetuates* the societal-environmental problems caused by project-financing banks.

The failure narrative concludes with the *walk-the-talk* story, which urges banks to keep their promise to implement signed prescriptions and to be accountable for and transparent about the degree to which they actually apply the EPs both within organizations and at the project sites: 'If the banks involved were serious about their environmental performance they would put their money where their mouth is and fully implement the [EPs]' (document statement by NGO). At the same time, walk-the-talk acknowledges that there is significant heterogeneity in compliance with the EPs. Banks in 'the coalition of the willing' are distinguished from under-performing laggards, who are 'named and shamed' (interview statements by NGO representative). Thus, the failure narrative's endpoint not only prompts banks to abandon greenwashing but differentiates between 'good' and 'bad' banks. As an NGO representative puts it (document statement), there are three kinds of 'adopters':

Banks that have taken [the EPs] to heart, [...]; banks that are adopting and working through the implementation, [...]; and the free riders [...] – unfortunately many of the signatories fall into the third category.

Furthermore, in contrast to the easy-to-sign and greenwash accounts, the tone of the walk-the-talk story is inspirational and more solution-oriented, as it specifies a clear pathway for prospective improvement. To conclude, the failure narrative essentially progresses from a critique to a suggested remedy, stressing that improving the EPs' 'breadth' must be followed by improvements in their 'depth' to adequately mitigate the harmful effects of project finance.

Finally, we detect a third storytelling pattern, which we term *commitment* narrative. This narrative is told by banks that have adopted the EPs but differs remarkably from the success narrative in that it focuses on the depth, rather than the breadth, of EP standardization.

***Commitment Narrative***

*EP banks have introduced policies that comply with the EPs and report publicly on our progress. They intend to deploy significant resources to ensure that the EPs become fully integrated into business processes and structures, promoting their application beyond international project finance. Importantly, sustainability receives increasing attention in-house because of the dedication of employees who ultimately make the EPs work.*

The commitment narrative consists of three surface stories which emphasize depth-related aspects of the EPs' promulgation. The narrative starts with the familiar *walk-the-talk* account of the failure narrative, except that it is spoken by financial institutions. Nevertheless, the banks' variant of walk-the-talk is strikingly similar to that of NGOs in that it refers to issues such as implementation, impact, transparency, and enforcement, i.e. the elements that we identified as the failure narrative's moralizing demands for greater 'depth'. As one EP bank reports, for instance (document statement): '[We] have put in place internal policies and processes that are consistent with the Equator Principles and report publicly on EP transactions and [the bank's] EP implementation status'. In other words, financial institutions that adopted

the EPs ‘sing their critics’ song’, albeit in a different voice that neither relates to the banks’ success narrative nor equals the NGOs’ failure narrative.

The shift in narrative focus from diffusion to entrenchment is furthermore evident in what we label *promise-to-act* surface story, i.e. the promise to genuinely enact the adopted EPs’ prescriptions. In comparison to the retrospective walk-the-talk story, in the promise-to-act story, the depth-related issues are typically narrated in the future tense, representing intentions and scheduled reforms, such as pledges to introduce internal policies, procedures, and training. To provide one example:

We intend to initiate a project to refine and automate the procedures we have implemented. Feedback from applying the current system will be used to make adjustments to the process. We intend to automate the system, incorporate management and tracking tools, and deploy it over our network infrastructure to enable easy access across all regions. (Document statement by EP bank)

Such accounts also frequently name the intention to ‘expand the scope’ of the EPs to issue areas beyond project finance, such as corporate or retail finance, which probably hide ‘the rest of the iceberg’ (interview with EP bank representative). For instance, one EP bank representative confidently announced (document statement):

[Our bank] is considering extending the [EPs] into [our] corporate-lending and private equity-investment businesses. This is in line with our broader corporate citizenship policies. [...] And I’m optimistic it will help the bottom line, provide new business opportunities, respond to shareholder and employee concerns. That can only be a good thing for the company.

This promise-to-act story also emphasizes the creation of governance structures that comply with the EPs and ‘formalize existing practices and procedures, increase the transparency of the [EP] Association, and [...] ensure that [banks that adopt the EPs] meet their responsibilities such as public reporting on the [EPs] implementation’ (document statement by EP bank). Importantly, the very intent to facilitate evaluation and to render entrenchment feasible, even if scheduled in an undefined future, signals a shift from decoupling to ‘promising reform’ as

the primary organizational response to solve conflicting institutional demands (Meyer & Rowan, 1977, p. 356). Yet, although the promise-to-act story seeks to establish moral legitimacy for project finance activities by separating ‘today’s reality from tomorrow’s ideal’ (Suchman, 1995, p. 590), it leaves unclear how espoused improvements are to be achieved.

A third surface story considers the very mechanism of the EP standard’s further entrenchment. We term this the *Trojan horse* story because it metaphorically theorizes how a new set of meanings gradually penetrates and spreads inside a bank thanks to ‘internal activists’, i.e. employees in charge of EP implementation. The Trojan horse account is told by NGOs, financial institutions, consultants, and journalists, and cannot be assigned unequivocally to a single voice. With few exceptions, it did not emerge in public documents, but almost exclusively in our interviews (see Appendix 1). Furthermore, the Trojan horse story differs from the other surface stories in that it locates the focal actors not at the institutional field level but at the intra-organizational level. Specifically, the story distinguishes two types of bank employees: protagonists vs. antagonists of sustainability. The protagonists foster attention within the bank to the EPs and sustainability issues in general. Hiding inside the ‘Trojan horse’ of the EPs, they prepare so that the standard’s effects extend beyond the specific field of project finance.

The EPs are a Trojan horse. They have brought into the world’s leading banks a first squadron of sustainability specialists. And what has emerged since then in bank after bank [...] is that those specialists have [...] pioneered and supported a range of innovations in banking. The EPs were a vital starting point. But the agenda has grown wider, and with it a wider potential role for banks has emerged to deliver platforms for sustainability solutions, from carbon finance, to women's banking to bottom of the pyramid banking to supply chain lending programmes. And this is just the beginning. (Document statement by consultant)

Internal activists, however, are confronted by their antagonists—other bank employees who are primarily oriented towards profitability. For the latter, CR standards like the EPs involve costs and constraints that ‘pose a threat to our business’ (interview with EP bank representa-

tive). This, in turn, creates tensions within the banks and prompts ‘internal activists’ to collaborate with ‘external activists’, i.e. representatives of NGOs: ‘Some people within banks are deeply frustrated about their employers. They want to push the EPs further and get their point across, but it is difficult for them. That’s why they need us [the NGOs]. There is a lot of resistance from within the banks’ (interview with NGO representative).

Interestingly, the Trojan horse story indicates that even if banks only ceremonially adopt the EPs, they nevertheless sow the seeds for coupling processes (Tilcsik, 2010). This happens within their own walls, since internal activists and associated departments identify with the stories of their critics and ‘translate them into—more specific and selective—versions, which are then used in organizational [and individual] sensemaking processes’ (Zilber, 2009, p. 206). Also, internal activists use their participation in the ‘EP movement’ as a tool to leverage their position in intra-organizational power games and thereby increase their material and ideational influence (Scott, 2008; Tilcsik, 2010). In sum, the Trojan horse story, as the valued endpoint of the commitment narrative, delineates a struggle between innovative and reactionary forces and at the same time outlines the collaboration between internal and external activists, as well as the construal of increasingly implemented sustainability policies across various issue areas, as a natural, meaningful, and ultimately inevitable development.

### **Narrative Dynamics**

The second research question we addressed is how identified narratives and surface stories develop over time. Figure 1, generated with help of the QDA Miner software, visualizes the association between surface stories and time by displaying the results of correspondence analysis applied to the cross-tabulation of years and story occurrences in documents.

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Insert Figure 1 about here  
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In Figure 1, the closer a surface story is located to the figure's origin, the more its profile resembles the average story profile. By 'profile' we refer to the distribution of code frequencies across years and documents. Conversely, the farther a story is located from the origin, the more singular its profile. Furthermore, the closer the resemblance between story profiles over time and across documents, the closer their locations in the graph (see Clausen, 1998). For instance, the proximity between the (NGO-narrated) greenwash and walk-the-talk stories indicates that, over time, they are closely linked across documents. Appendix 2 presents the data on which the graphical display of the correspondence analysis is based. To complement the graphical assessment of the data, we also considered the statistical output of the correspondence analysis, i.e. the total variance explained by axes and the contribution of single points to the variance of a single axis (Clausen, 1998; Greenacre & Blasius, 1994).

As can be seen in Figure 1, the horizontal axis separates the 2003–2006 from the 2007–2010 period, whereas the vertical axis separates breadth-related stories (*business case*, *adoption*, *outreach*) from depth-related stories (*greenwash*, *walk-the-talk*, *promise-to-act*). Although the horizontal axis is not fully characterized by linearity in time, we discern a clear sequence of growing year numbers from the left to the right side of the display. Our analysis of contributions shows that both the 2003 and 2010 values contribute most strongly to the horizontal axis. This supports our interpretation of the axis as the *process* of standardization, given that the strongest points ought to be used to induce the overall meaning of an axis (Clausen, 1998; Meyer & Hoellerer, 2010). In turn, the breadth-related business case and adoption stories and the depth-related greenwash story contribute most strongly to the vertical axis. In view of the above, we interpret the vertical axis as the *focus* of standardization, with the upper part representing issues of entrenchment and depth, and the lower part representing issues of diffusion and breadth. Both axes' contribution to total variance is significant and amounts to 56.6 percent for the process dimension and 26.6 percent for the focus dimension respectively (see Appendix 2). Overall, the two dimensions explain 83 percent of the total

variance, i.e. the extent to which the profile points are located around the origin. This percentage value is satisfactory, considering that the parsimonious account of two axes explains a large share of the cross-tabulation data (Clausen, 1998).

Note that the easy-to-sign and Trojan horse stories are not displayed in Figure 1. The easy-to-sign story had to be excluded, as an outlier analysis revealed an extreme profile what impeded the interpretation of the remaining surface stories and their interrelations (Clausen, 1998). Also, the Trojan horse story is not displayed as it occurred only twice in our document data. Notwithstanding their relative paucity in documents, both surface stories were frequently narrated in interviews, in particular the ‘conspiracy part’ of the easy-to-sign story (see above).

Overall, Figure 1 reveals the occurrence and focus (breadth vs. depth) of surface stories and narratives over time. Note that the ellipses surrounding the sets of surface stories denote the group of actors (banks vs. NGOs) by whom each narrative is predominantly told. These ellipses are also meant as heuristic devices for assessing a narrative’s predominance over time. However, the borders of the ellipses do not necessarily imply that the respective stories disappear beyond their range but that surface stories merely become less frequently told. We see that the success narrative, as told by financial institutions, persists over the years, with the outreach story as a more recent development. The NGO-driven failure narrative, addressing depth and entrenchment, appears quite early in the data and is less prevalent in the second phase of EP standardization (2007–2010). Most importantly, the banks’ emergent commitment narrative represents a narrative shift, as the constitutive surface stories walk-the-talk and promise-to-act clearly address issues of entrenchment. Thus, during 2007–2010 the banks’ narratives show an increasing focus on the depth of standardization, which was previously encountered mainly in the NGO-led failure narrative. Tellingly, the narrative shift in the discourse of financial institutions is accompanied by fading criticism, even praise for exemplary banks, by moderate NGOs. This is also echoed by the tenor of articles in the general



media and trade journals, whose evaluations of the EPs are increasingly supportive, as can be seen in Table 2.

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Insert Table 2 about here  
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It should be noted at this point that the results of correspondence analysis and their graphical interpretation are based on descriptive statistics that can be used ‘to reveal features in the data rather than to confirm or reject hypotheses about the underlying processes which generate the data’ (Greenacre & Blasius, 1994, p. vii). Accordingly, we cannot tell whether the failure narrative *causally* induced bank representatives to address discursively depth-related issues. Nevertheless, in interviews with NGO representatives we gathered some anecdotal evidence for the constitutive impact of the communicative interaction between NGOs and banks over time. For instance, a NGO representative states (interview): ‘The usual pattern is that at the meetings [between banks and NGOs] we bring up something, and then we face the usual resistance. Then, after some years, [the banks] come up with something which resembles what we said earlier, but very much watered down; for example, a working group or so’.

The time lag between most banks’ words and deeds is confirmed by bank representatives themselves. A bank representative in charge of handling EP compliance elaborates on the role of ongoing NGO demands and internal activism (interview statement):

Yes, the NGOs pull, express demands, and the banks follow them with a certain time lag. [...] In many cases, the NGOs probably think this is easier than it actually is [for us]. [...] In other words, we [i.e. the persons in charge of sustainability issues within banks] indeed have something like a mediating role – we are the ones who carry the [NGO] demands [...] into the banks.

As the same interviewee points out, bank representatives now increasingly heed the NGOs’ demand for greater transparency, although they had initially considered it impossible.

At that time, [the bankers] said something like: ‘This is not an option, this is not possible’.

And now, the banks have come a long way and realize: ‘We could also gain by doing this or we actually could do it’. So the banks have also arrived with some time lag at a point where the NGOs wished they’d have arrived earlier.

Intriguingly, the transformative influence of the EPs is confirmed by representatives of banks which have *not* adopted the EP standard. Here, the reason given for non-adoption is the concern that the EPs ‘may get out of control’ (statement repeatedly made in interviews with bank representatives), indicating their potential impact on organizational practice in a self-reinforcing manner (see Sydow, Schreyögg & Koch, 2009). In sum, our interview excerpts, combined with theoretical arguments that language is constitutive of CR (Basu & Palazzo, 2008; Christensen et al., 2011; Wehmeier & Schultz, 2011), suggest that the trajectory towards the further entrenchment of the EP standard is, at least partly, discursively constructed.

## **DISCUSSION AND CONCLUSION**

The diffusion and entrenchment perspectives significantly enhance our understanding of CR standardization. Yet, neither of the two approaches is comprehensive as neither takes into account the underlying ideational dynamics of the process. In contrast, the standardization-as-narration perspective suggests that language not only reflects the degree and quality of standardization but renders diffusion and entrenchment accounts meaningful and legitimate in the first place. In the empirical section we demonstrated the usefulness of this supplementary approach and described the type and temporal development of prevalent narratives at the institutional field level of the EP standard. We found that the antagonistic *success* and *failure* narratives dialectically unfold over time and are replaced by the *commitment* narrative. In this final section we outline our contributions by discussing our findings in the light of existing works.

### **Rethinking Decoupling as a Transitory Phenomenon**

By revisiting Meyer and Rowan’s argument (1977) that decoupling offers organizations a stable means of coping with institutional contradictions, our study engages with a central de-

bate in institutional theory. As Scott asserts (2008, p. 171), although ‘some theorists treat decoupling as the hallmark of an institutional argument’, the symbolic adoption of formal prescriptions is unlikely to be sustained in the long run as it ‘involves processes by which an organization connects to the wider world of meaning’. Likewise, Tolbert and Zucker (1996) wonder whether the decoupling concept and its underlying assumptions are compatible with a phenomenological understanding of institutionalization, where taken-for-granted meanings are grasped as a tightly coupled, rather than decoupled, foundation of enacting a socially shared reality (Berger & Luckmann, 1967). Specifically, they disagree with Meyer and Rowan’s argument that a decoupled structure can maintain its symbolic power without internal consequences, even ‘in face of widespread knowledge that its effect on individuals’ behavior is negligible’ (Tolbert & Zucker, 1996, p. 180). Hence, according to both Scott (2008) and Tolbert and Zucker (1996), Meyer and Rowan’s (1977) notion of decoupling as an enduring state alienates the concept of institutionalization from its roots in phenomenological social constructivism (Berger & Luckmann, 1967).

We contribute to this debate by taking an explicitly dynamic and social-constructionist perspective on CR standardization. Our findings render Meyer and Rowan’s conception of decoupling possibly too static and highlight the idea that decoupling is merely a transitory phenomenon (Boxenbaum & Jonsson, 2008; Scott, 2008). Intriguingly, in our empirical analysis of standardization in line with the EPs, we detect a set of narratives which unfolds sequentially, mirroring a narrative shift from diffusion to entrenchment, with banks increasingly addressing depth-related aspects of standardization. Through the aspirational commitment narrative, which portrays past implementation efforts as deficient, financial institutions admit—at least indirectly—previous decoupling. Although our study cannot provide direct evidence of decoupling or changes in decoupling in individual EP banks, our interview excerpts, as well as previous research on the constitutive impact of language on material CR outcomes (Basu & Palazzo, 2008; Christensen et al., 2011), support the conjecture that merely ‘talking

the talk' can be consequential as it compels organizations and their individual members to address inconsistencies between actual and idealized reality. From this viewpoint, acknowledging a difference means actively reducing the difference between word and deed. By 'singing their critics' song', i.e. echoing the NGOs' stories on 'depth' and 'impact' with a certain time lag, banks express their commitment to moral values, a phenomenon which we term 'moral entrapment', following the notion of 'argumentative self-entrapment' (Risse, 2000). Given that moral entrapment entails keeping promises and engenders creeping commitment, particularly when an organization is subject to public scrutiny, banks ultimately talk themselves into a new reality of doing project finance.

Previous studies have found evidence of coupling processes in organizations (Hallett, 2010; Tilcsik, 2010) without, however, focusing on the discursive-ideational underpinnings of these processes at the institutional field level or examining how field-level developments affect the social construction of local realities. Our study extends this literature critically by arguing that narrative contestation at the field level generates in organizations and individual members a sense of entitlement, conviction, and rationality of action, which may ultimately lead to a CR standard's full institutionalization (Zilber, 2009). At the organizational level, such changes can be triggered by employees in CR departments who 'both transmit and translate environmental demands to organizations' (Scott, 2008, p. 171). For instance, as soon as organizations create job functions related to the application of the EPs, the person(s) in charge of handling compliance with the EPs may start to gain organizational influence, facilitating the entrenchment of the standard. Also, merely adopting the EP standard and establishing a department for dealing with it increases the interest in and discourse on sustainability and CR within the organization, possibly nurturing a 'new generation of organizational members' who pursue explicit goals, rather than adhere to a 'hidden agenda' (Suchman, 1995, p. 588; see also Tilcsik, 2010). At the individual level, organizational members have been found to experience an identity transformation in response to incongruence between self-perceptions and

their beliefs of how ‘significant others’ view the organization they work for (Dutton & Dukerich, 1991; Fiss & Zajac, 2006). Conceivably, managers who rhetorically commit themselves to certain moral policies may eventually align their conduct to their rhetoric in order to avoid guilt and embarrassment, which arise from confrontations such as NGO allegations of organizational hypocrisy and misconduct (Suchman, 1995).

In sum, the identification of the commitment narrative and our insights into moral entrapment and creeping commitment are important for the development of institutional theory in that they bridge the phenomenological tradition of Berger and Luckmann (1967) with the decoupling argument of Meyer and Rowan (1977). The two strands can be reconciled by acknowledging that decoupling between the activities and the formal structure of an organization may be subject to coupling processes due to the transformative impact of communicative interaction and negotiation. Future research should further specify the boundary conditions and contextual circumstances under which decoupling fosters a motivation for behavioral change and thus heralds its own demise (Boxenbaum & Jonsson, 2008).

### **A Narrative Perspective on CR Standardization**

Our study also contributes to the theorization of CR standardization, which it grasps as an institutionalization process that starts, rather than ends, with adoption. As shown above, institutional works grounded in the diffusion and entrenchment perspectives neglect the ideational aspects of standardization (e.g. Aravind & Christmann, 2011; Delmas & Montes-Sancho, 2011), and are thus unable to account for the connection between post-adoption processes, morally-laden language, and narrative contestation structured around the ‘breadth’ and ‘depth’ of standardization. The standardization-as-narration perspective we have introduced examines comprehensively how both diffusion and entrenchment jointly unfold over time, and how meaning is increasingly typified among business firms and their societal observers. Importantly, in a narrative perspective, CR standardization refers neither to the consistence of formal presentations nor to that of actual conduct but primarily to the consistence of narratives across

time, localities, and voices. Our analysis implies that CR standards are not necessarily characterized by homogeneous practices but by increasingly homogeneous, co-evolving discourses about practice. In this reasoning, societal consensus on the usefulness and moral appropriateness of a CR standard may also extend to accepting their heterogeneous implementation. Legitimacy-ascribing audiences may agree that there is no ‘one-size-fits-all’ approach to CR standardization, but that the process must be customized to specific organizational circumstances (see Ansari et al., 2010).

In short, the standardization-as-narration perspective importantly supplements extant diffusion and entrenchment accounts and provides a fruitful starting point for exploring the discursive-ideational constitution of CR standardization. Future research could study the interplay between narrative accounts and their reification in forms of texts, tools, templates, or other artifacts surrounding CR practices, as theorized by scholars who follow the ‘actor network theory’ (Latour, 2005) and the ‘communication constitutes organizations’ (CCO) perspective (Cooren et al., 2011).

### **NGO Influence and Implications for NGO Efforts to Advance CR Standardization**

The paper’s third contribution is to conceptual works on the NGO–business relationship (Basu & Palazzo, 2008; den Hond & de Bakker, 2007). We have empirically demonstrated how NGOs can influence the justificatory and sensemaking processes of business firms; notably, the commitment narrative—the promises of banks to fully implement formal prescriptions—illustrates Basu and Palazzo’s point (2008) that the ‘content’ of CR can be viewed as an outcome of the interaction between managers and their key constituencies, i.e. the ‘significant others’ in Berger and Luckmann’s terminology (1967). Our findings complement Basu and Palazzo’s arguments on the linguistic dimension of sensemaking, which they perceive as constitutive of CR, and also corroborate den Hond and de Bakker’s assertion (2007) that NGOs achieve organizational and social change by challenging and modifying field frames; that is, the prevailing logics of conduct among a set of actors who are involved in the creation

of meaning. In fact, as field frames are akin to the field-level concept of narrative (Pentland, 1999), the dialectical constitution of the EP standard (success, failure, and commitment narratives) can be reinterpreted within the framework developed by den Hond and de Bakker (2007) as the transformation of field frames.

In addition, our analysis of narrative dynamics in the context of EP standardization substantiates Schaper's point (2007) that NGOs exert 'discursive power' to influence EP banks in their lending decisions, which provides NGOs with structural power over project-sponsoring business firms. As we elaborate, discursive power emerges in the dialectical unfolding of narratives that engender shared meanings of appropriate behavior among banks and their external contenders. The commitment narrative and ensuing coupling processes indicate an initially spontaneous but increasingly deliberate, often mass-mediated, communicative interaction between business firms and societal critics. From that viewpoint, discursive power and 'influence' refers to the persuasive force of worldviews that differ dramatically from those of banks and gradually evolve into processes of social construction. Future research could examine systematically whether and how NGOs purposefully employ language to push firms into a situation of entrapment and a novel organizational reality.

The potentially 'strategic' fabrication of moral entrapment also raises the paper's final point, namely whether the requirements of organizational accountability should be lenient or strict in order to promote the institutionalization of CR standards. Our findings emphasize the virtues of low barriers and restrictions: Relative ease of adoption has been arguably conducive to the diffusion of the EPs, although adoption possibly meant initially professed rather than actual compliance. Ubiquity helped consolidate the EPs' moral validity, making financial institutions increasingly realize the need to honor their promises and thoroughly implement the EPs, i.e. to 'walk the talk'. In contrast, higher entry barriers and more rigorous enforcement mechanisms may have slowed down the EPs' proliferation and thwarted creeping commitment, limiting adoption and entrenchment to a relatively small group of financial institutions.

Considering that ‘talking the talk’, moral entrapment, and creeping commitment possibly constitute a viable way to global sustainability, instead of unconditionally sanctioning organizations for decoupling, it might pay off to tolerate their gradual transformation and encourage experimentation informed by mutual learning and dialogue.

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## TABLES AND FIGURES

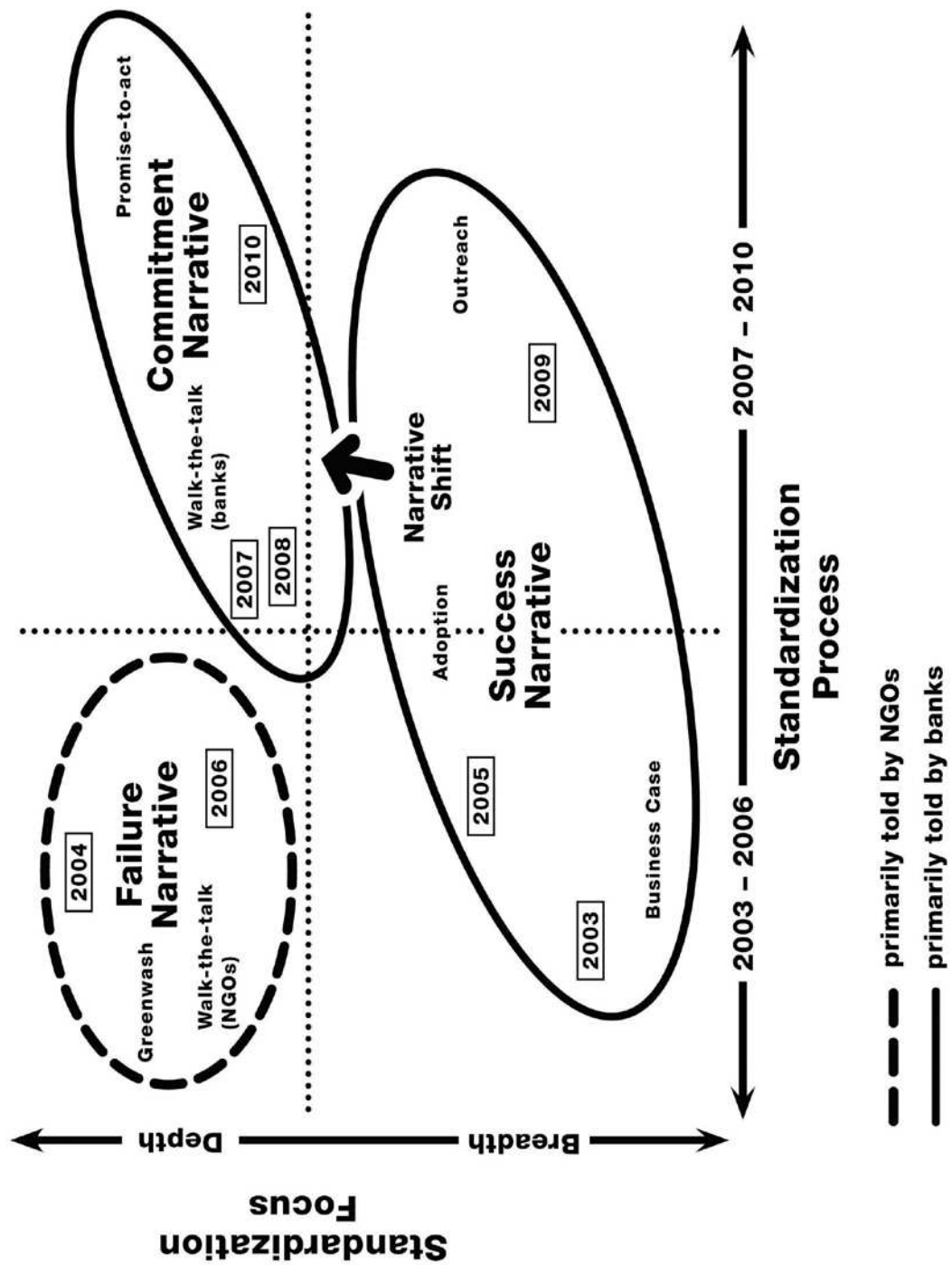
Table 1: Comparison of the Three Approaches to CR Standardization

	<b>Diffusion</b>	<b>Entrenchment</b>	<b>Narration</b>
<b>Understanding of Institutionalization</b>	ubiquity of a practice	implementation and persistence of a practice	stabilization of narratives about diffusion and entrenchment
<b>Main Focus</b>	breadth	depth	interplay of breadth and depth
<b>Research Interest</b>	to explain contingencies of adoption and adoption motivations	to explain contingencies of implementation	to understand how diffusion and entrenchment are infused with meaning and legitimacy
<b>Assumptions About Actors</b>	mostly passive, lacking leeway in the degree and modality of practice realization	mostly active, possessing some leeway in the degree and modality of practice realization	discursively constructing a practice as useful and meaningful
<b>Epistemological Stance</b>	objectivist	objectivist	social-constructionist, subjectivist

Table 2: Public Evaluation of the EP Standard  
(Sub-Set: General Media/Trade Journals; n = 269)

<b>Tenor</b>	<b>2003</b>	<b>2004</b>	<b>2005</b>	<b>2006</b>	<b>2007</b>	<b>2008</b>	<b>2009</b>	<b>2010</b>
<b>Positive/Neutral</b>	55%	35%	50%	53%	56%	56%	65%	69%
<b>Negative</b>	45%	65%	50%	47%	44%	44%	35%	31%

Figure 1: Correspondence Plot of Narrative Dynamics





## Appendix 1: Narratives, Surfaces Stories, and Story Elements

Narrative	Surface Story	Primary Focus	Story Elements	Sample Quotes	Voice	Source
Successful	Adoption	Breadth	Achievement	“Within a short time the [EPs] have evolved into an important success story”	EP bank	Documents
				[The EPs are] “an unprecedented voluntary private-sector initiative”	IFC	Documents
				“We are very proud that [EP bank] is a signatory to the [EPs]. It means that we conform to a set of internationally recognized, voluntary project finance guidelines”	EP bank	Documents
			Prestige	“There has been a significant growth in the number of EP adopters since its inception in 2003”	EP banks	Documents
			Growth	“43 [banks] have signed up which cover more than 85 percent of the global project-finance market”	EP bank	Documents
				“Since the [EPs]’ launch a year ago, almost all the big names in project finance have signed up”	EP bank	Documents
			Affiliation	“The principles created a de facto global standard for the project finance business, and keeping the IFC policies as their core helps maintain that benefit of global consistency”	EP bank	Documents
		Business Case	NGO pressure	“The [EPs] are proof that banks are feeling the heat from environmental groups worldwide”	NGO	Documents
			Risk management	“It would be overconfident to say that the banks’ very own impetus has finally led to the diffusion of the EP. [...] Civil society is the decisive factor. [...] Without this external pressure probably nothing would have happened.”	EP bank	Interviews
				“Project banks play an important role in development projects around the world, and particularly in the emerging markets. Environmental risk is a credit risk as well as a reputational risk”	EP bank	Documents
				“Basically, the development of the EPs is a response to reputational risk. Since reputational risk is quite high in big projects, the EPs evolved and diffused rapidly”	NGO	Interviews
				“The EPs are good to handle because they are very concrete, broken down to the pH value of waste water”	EP bank	Interviews
			Specificity	“Aside from the ‘feel good’ [factor], it makes sound financial sense”	EP bank	Documents
				“Our clients recognize that they can achieve their aims most effectively if they apply the [EPs]. And because [EP bank] plays a leading role in championing them, existing and potential customers see our expertise in this area as a point of advantage. The result is a triple whammy. Our customers win. We win. And, very importantly, the societies where we operate win”	EP bank	Documents
		Win-win situation		“The main issue when we talk about non-signatories are the banks from developing countries, especially the Chinese banks or Indian banks”	EP bank	Documents
				“My only wish is that all banks, including banks in large emerging countries, apply the same rules to avoid competitive distortion”	EP bank	Documents
	Outreach	Breadth	Geographic asymmetry			

Narrative	Surface Story	Primary Focus	Story Elements	Sample Quotes	Voice	Source
<b>Failure</b>			Level playing field	“We are creating a level playing field, in which [banks] abide by the same environmental and social standards. Where once they competed solely on price, now they are starting to compete through innovative financing for environmentally sustainable projects. This is one of the most important initiatives in the financial sector”	IFC	Documents
			Join the club	“The banks have come to realize that we should not compete in social and environmental issues; here we need minimum standards to avoid differentiation with a race-to-the bottom. The EPs create a level playing field.” [The EPs] “differ from other standards in that it is not only ‘written on paper’ but is a lively community of people, a ‘living’ standard so-to-speak”	EP bank views EP bank views	Inter-views Inter-views
			Low entry barrier	“The EPs have created the rare opportunity to regularly meet and to exchange expertise on best practices in project finance risk management - a strong incentive ‘to join the club’”	EP bank views	Inter-views
	Easy-to-sign	Breadth		“Even though [the EPs] are important [...] they’re really a floor, the lowest common denominator”	NGO	Documents
			Exit-door strategies	“The problem with the [EPs] is that there is no monitoring system, which makes it easy for a bank to sign on to it without doing anything”	NGO	Documents
				“At the same time, banks and project-executing firms try to restructure their project financing activities so that the EP criteria do not apply anymore. [...] This is done, e.g., by re-classifying them as ‘corporate finance’”	EP bank views	Inter-views
				“Banks have introduced risk classification sub-categories like B+, B, or B- which prevents them from having to classify a project as representing the toughest risk category A”	Consultant	Inter-views
	Green-wash	Depth	Lacking implementation	“We suspect that [EP bank’s] touting of the EP amounts to mere greenwashing [...] [they want] the public to perceive that it is ‘green’ while not really doing anything to enhance environmental protection”	NGO	Documents
			Lacking accountability	“The EP indeed are, in many cases, greenwashing. I’ve met an EP bank that was surprised to hear that it needed to train its project finance people about the environment”	EP bank views	Inter-views
			Lacking impact	“If you have principles, you need to give external parties the opportunity to criticize or judge how you apply [them]. We’ve never seen those studies, so it is difficult to judge whether the project is EP-compliant or not”	NGO	Document
				“Incredibly, no one knows whether any environmental or social outcomes were improved by [EP bank’s] decisions to finance the 20 projects or to not finance the other 66 projects”	NGO	Documents
	Walk-the-talk (NGOs)	Depth	Keep your promise	“BankTrack calls upon the new chair to no longer resort to empty slogans and hollow promises and to get to work on improving the performance of the [EPs] on a number of urgent issues that, if left unsolved, threaten the very credibility of the [EPs] as a sustainability initiative that delivers”	NGO	Documents
				“If the banks involved were serious about their environmental performance they would put their money where their mouth is and fully implement the [EPs]”	NGO	Documents
			Improvement path	“What we want to see is the sector brought up to the best existing practices, not settling for the least common denominator [...] These [EPs] are a good first step only if there is a second, third and fourth step.”	NGO	Documents

Narrative	Surface Story	Primary Focus	Story Elements	Sample Quotes	Voice	Source
			Good & bad banks	<p>“Rather than diluting the [EPs], by adding a new category of vague ‘associates’, EPFI should strive to create a bold ‘Coalition of the Willing’, a cohort of banks ready to make a substantial sustainability commitment”</p> <p>[T]here’s three categories [of EP banks]: banks that have taken this to heart, [...]; banks that are adopting and working through the implementation, [...]; and the free riders [...] – unfortunately many of the signatories fall into the third category.”</p>	NGO	Documents
<b>Commitment</b>	Walk-the-talk (banks)	Depth	Achieved implementation	<p>“[EP] training has been provided to 75% of our Project Finance staff [...]; further work is being undertaken to implement a specific toolkit, training program and reporting process across our global Project Finance business”</p> <p>“We have put in place internal policies and processes that are consistent with the [EPs] and report publicly on EP transactions and our EP implementation status”</p> <p>“We intend to initiate a project to refine and automate the procedures we have implemented. Feedback from applying the current system will be used to make adjustments to the process. We intend to automate the system, incorporate management and tracking tools, and deploy it over our network [...]”</p> <p>“It is our intention to report annually on our [EP] transactions, and this will include details on the number of transactions screened against [EPs], as well as the category breakdown (A, B or C)”</p> <p>“[Our bank] is considering extending the EP into [our] corporate-lending and private equity-investment businesses. This is in line with our broader corporate citizenship policies. [...] And I’m optimistic it will help the bottom line, provide new business opportunities, respond to shareholder and employee concerns. That can only be a good thing for the company.”</p> <p>“[The EPs are] just the tip of the iceberg, a good preparatory forum for these bigger things. The real work is in retail banking – screening thousands of loans. That’s the rest of the iceberg”</p> <p>“[T]he new governance framework ensures that there are effective decision making procedures for the enlarged group of adopting institutions. The Rules will make us more efficient as we continue to grow, and members will be held accountable to them. We believe that the Rules are an important step forward in a broader strengthening of the Association’s governance and EP implementation”</p> <p>“The persons in the banks in charge of sustainability issues indeed have something like a mediator role – they are the ones who carry the NGO demand into the banks”</p> <p>“Most importantly, however, the EPs helped to trigger conversations within banks and to initiate discussions like: If we have this useful tool here to manage social and environmental risks why don’t we apply it also to other financial products?”</p> <p>“There are already internal tensions and inconsistencies within many [EP] banks, where asset management, investment banking and advisory teams are often much less willing to factor in sustainability issues than their [EP]-trained project finance colleagues.”</p> <p>“Some people within banks are deeply frustrated about their employers. They want to push the EPs further and get their point across, but it is difficult for them. That’s why they need us [the NGOs]. There is a lot of resistance from within the banks”</p>	EP bank	Documents
	Promise-to-act	Depth	Intended implementation		EP bank	Documents
			Expansion of scope		EP bank	Documents
			Governance		EP bank	Documents
	Trojan horse	Depth	Internal activism		EP bank	Inter-views
			Internal tensions		IFC	Inter-views
					NGO	Documents
					NGO	Inter-views

Appendix 2: Correspondence Scores and Explained Variance per Axis

<b>Narrative</b>	<b>Surface Stories</b>	<b>x-Axis: Standardization Process (2003-2006 vs. 2007-2010)</b>	<b>y-Axis: Standardization Focus (breadth vs. depth)</b>
<b>Success</b>	<b>Adoption</b>	+ 0.04	- 0.95
	<b>Business Case</b>	- 0.97	- 2.53
	<b>Outreach</b>	+ 1.68	- 1.01
<b>Failure</b>	<b>Greenwash</b>	- 1.59	+ 0.97
	<b>Walk-the-talk (NGOs)</b>	- 1.52	+ 0.53
<b>Commitment</b>	<b>Walk-the-talk (banks)</b>	+ 0.64	+ 0.43
	<b>Promise-to-act</b>	+ 2.25	+ 1.11
	<b>Explained Variance per Axis</b>	56.6 %	26.6 %

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